

STANDARDS AND PROCEDURES FOR “DE-UNIFYING” A UNIFIED HOME-RULE BOROUGH (UNIFIED MUNICIPALITY)

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Introduction

A unified municipality is a home-rule borough in which no city government may exist. Currently, there are three unified municipalities in Alaska. Those are the Municipality of Anchorage, City and Borough of Juneau, and City and Borough of Sitka.

Procedures for “de-unifying” a unified municipality.

State law lacks express provisions for “de-unification” of a unified municipality. However, de-unification can theoretically be accomplished by concurrently dissolving the unified municipality and incorporating a new borough that is identical in all respects to the unified municipality, except that is a “non-unified home-rule borough.”¹

It seems evident, however, that when State statutes and Local Boundary Commission regulations applicable to borough dissolution were crafted, it was not contemplated that those procedures might be applied to de-unification. The existing dissolution procedures will not easily accommodate the prospect of de-unification.²

However, there are straightforward remedies to that circumstance. One is a State legislative enactment of laws expressly providing for de-unification. The

¹For details about the character of a unified municipality and other boroughs, including a “non-unified home rule borough,” see *The Nature of a Unified Municipality in Alaska*, Local Boundary Commission Staff, Alaska Department of Community and Economic Development, March 2004.

²For example, under the “local option method” specified in AS 29.06.460 – 29.06.510, the petition would have to be signed by a number of voters either (1) equal to at least 25 percent of the number of votes cast in the last regular election in the municipality as required by AS 29.06.460, in which case the petitioner would then have to demonstrate under AS 29.06.470(a)(1) that the municipality no longer meets the minimum standards prescribed for incorporation or under AS 29.06.470(a)(2) that the municipality ceases to use each of its mandatory powers; or (2) greater than 50 percent of the number of votes cast in the last regular election in the municipality as required provided by AS 29.06.470(a)(3). The existing statutes relating to dissolution are attached.

other is a refinement of regulations of the Local Boundary Commission (hereinafter “LBC” or “Commission”).

With regard to the latter, Alaska’s Constitution and State statutes give the Local Boundary Commission broad authority to adopt regulations establishing procedures for dissolution and other boundary changes.³ The Commission could exercise that discretion by establishing procedures and standards specifically designed to address de-unification.

Standards for “De-Unification”

De-unification is unprecedented. Consequently, there are no prior Local Boundary Commission decisions or case law to guide such an action. Moreover, as is the case with procedures, there are no express standards in law for de-unification.

This discussion assumes that either the Legislature or the Local Boundary Commission will craft suitable standards for de-unification.⁴

³Article X, Section 12 of Alaska’s Constitution provides, in part, that the Local Boundary Commission “may consider any proposed local government boundary change.” The courts, the LBC, State Attorney General, and others have broadly construed the term “boundary change” to include dissolution and incorporation.

Additionally, AS 29.06.450(a) states as follows:

Sec. 29.06.450. Methods of dissolution.

(a) Two petition methods may be used to initiate dissolution of a municipality:

(1) petition to the Local Boundary Commission under regulations adopted by the commission; or

(2) the local option method specified in AS 29.06.460 - 29.06.510 (emphasis added).

Lastly, AS 44.33.812(a)(2) states that: “The Local Boundary Commission shall adopt regulations providing standards and procedures for municipal incorporation, annexation, detachment, merger, consolidation, reclassification, and dissolution.” (Emphasis added.)

⁴Consider, for example, that merger and consolidation of municipal governments also involve dissolution of a municipal government. Yet, a merger or consolidation proposal is not required to satisfy dissolution standards (such a requirement is essentially meaningless). AS 29.06.130(a) provides for merger and consolidation that:

Sec. 29.06.130. Decision.

(a) The Local Boundary Commission may amend the petition and may impose conditions for the merger or consolidation. If the commission determines that the merger or consolidation, as amended or conditioned if appropriate, meets applicable standards under the state constitution and commission regula-

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This discussion also assumes that de-unification would be accomplished by dissolving the unified municipality and incorporating a new borough identical in every respect, except that it would be a non-unified home-rule borough. Doing so would create a powerful presumption that the following applicable borough incorporation standards were satisfied:

1. The boundaries of the proposed new borough embrace an area and population with common interests to the maximum degree possible in accordance with Article X, § 3 of the Constitution of the State of Alaska.

2. The social, cultural, and economic characteristics and activities of the people in the proposed borough are interrelated and integrated as required by AS 29.05.031(a)(1) and 3 AAC 110.045(a).

3. As required by 3 AAC 110.045(b), there are multiple bona fide communities, as defined by 3 AAC 110.920 and determined under 3 AAC 110.970, in the proposed borough, unless a specific and persuasive showing is made that a sufficient level of interrelationship exists with fewer than two communities.

4. The communications media and the land, water, and air transportation facilities throughout the proposed borough allow for the level of communications and exchange necessary to develop an integrated borough government as required by AS 29.05.031(a)(4) and 3 AAC 110.045(c).

5. All communities within the proposed borough are either connected to the seat of the proposed borough by a public roadway, regular scheduled airline flights on at least a weekly basis, a charter flight service based in the proposed borough, or sufficient electronic media communications as required by 3 AAC 110.045(d). Alternatively, a specific and persuasive showing is made that communications and exchange patterns are sufficient to operate an integrated borough government.

6. The population of the proposed borough is sufficiently large and stable to support the proposed borough government as required by AS 29.05.031(a)(1) and 3 AAC 110.050(a).

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tions, the municipality after the merger or consolidation would meet the standards for incorporation under AS 29.05.011 or 29.05.031, and the merger or consolidation is in the best interests of the state, it may accept the petition. Otherwise, it shall reject the petition.

7. The population of the proposed borough includes at least 1,000 permanent residents as required by 3 AAC 110.050(b). Alternatively, a specific and persuasive showing is made that the population of the proposed borough is large enough and stable enough to support the proposed borough government.

8. The economy of the proposed borough includes the human and financial resources necessary to provide essential borough services on an efficient, cost-effective level as required by AS 29.05.031(a)(3) and 3 AAC 110.055.

9. The boundaries of the proposed borough conform generally to natural geography, and must include all land and water necessary to provide the full development of essential borough services on an efficient, cost-effective level as required by AS 29.05.031(a)(2) and 3 AAC 110.060(a).

10. The proposed borough boundaries do not extend beyond the model borough boundaries adopted by the Commission as provided by 3 AAC 110.060(b). Alternatively, a specific and persuasive showing is made that the proposed borough boundaries comply with other standards for borough incorporation.

11. The proposed borough boundaries conform to existing regional educational attendance area boundaries as required by 3 AAC 110.060(c). Alternatively, evidence is provided which will allow the Commission, after consultation with the Commissioner of the Department of Education and Early Development, to determine that a territory of different size is better suited to the public interest in a full balance of the standards for incorporation of a borough.

12. The petition does not propose boundaries overlapping the boundaries of an existing organized borough or unified municipality. Alternatively, the petition also addresses and complies with all standards and procedures for detachment of the overlapping region from the existing organized borough or unified municipality as required by 3 AAC 110.060(d).

13. The proposed borough will have the ability to extend services to the territory proposed for incorporation in a practical and effective manner as required by 3 AAC 110.900.

14. Incorporation of the proposed borough will not deny any person the enjoyment of any civil or political right because of race,

color, creed, sex or national origin in accordance with 3 AAC 110.910.

15. Incorporation of the proposed borough is in the best interests of the State as required by AS 29.05.100 and 3 AAC 110.065, and as determined under 3 AAC 110.980.

In making a best-interests determination, the Commission could also consider the following:

(1) the potential for increased duplication or diminution of services or confusion as to authorities offering such services;

(2) the effect of such on local-government planning and financing (current and future) for the entire area; and

3) the effect on the economy and the social and cultural life of the area.

A fundamental question about de-unification is likely to be raised with respect to the “maximum local self-government” and “minimum numbers of local governments” principles found in the first section of the Local Government Article of Alaska’s Constitution. Article X, Section 1 states as follows:

Article X, Section 1. Purpose and Construction.

The purpose of this article is to provide for maximum local self-government with a minimum of local government units, and to prevent duplication of tax-levying jurisdictions. A liberal construction shall be given to the powers of local government units.

The Committee on Local Government at Alaska’s Constitutional Convention considered a borough government with no city governments within the boundaries of the borough to be the ideal structure of municipal government in Alaska. However, the founders rejected a proposal for the immediate abolition of cities. Committee members anticipated that boroughs and cities within them would gradually evolve into single-unit governments.

Jerome R. Saroff and Ronald C. Cease⁵ wrote the following account in 1968 regarding the constitutional debate over city and borough governments, as well as

⁵Mr. Saroff was Director of Planning and Research for the State of Alaska in the Office of the Governor from 1965 –1967. Prior to that he was Planning Director for the City of Anchorage. In 1967, he was elected to a charter commission in Juneau that was formed to develop a home-rule
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efforts in the late 1960s to enact legislation to allow unification of local governments:

During the Constitutional Convention when Alaskans were considering the structure and organization of local government, the Committee on Local Government pondered several alternatives. One of these was 'Abolition of cities and their reconstitution as special urban tax districts within the larger units [i.e., the borough].'^[6]

Though the committee seriously considered the possibility of a single unit of local government for urban areas, it rejected the idea as an immediate goal for

. . . it was the opinion of the Committee that while . . . [the abolition of cities] had very definite advantages of one completely unified government . . . it was too drastic a step to take at one point . . . to abolish these units altogether.^[7]

As a practical solution, the committee proposed a dual system of local government – borough and city. Significantly, however, it 'viewed the long-term relationships between the borough and the city as a gradual evolution to unified government.'^[8] The committee hoped that there would be cooperation between the two units, and that 'where functions overlapped, they would be integrated.'^[9] It intended that those functions of government that could best be performed on an areawide basis would be handled by the larger unit, the borough. However, the relationship between boroughs and cities has been characterized more by conflict than by cooperation.

Conflict, in fact, has so often been the hallmark of the relationship that many people in the more urbanized parts of the State have begun to agitate for the unification of the two units. Accordingly, there is a recent interest in legislation which would bring about borough-

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charter to unify the local governments in the Greater Juneau Borough. Ronald Cease was Director of the Alaska Local Affairs Agency for the State of Alaska from 1962 to 1966.

⁶ "¹Minutes of the Committee on Local Government, No. 19."

⁷ "²John H. Rosswog, in Minutes, p. 2612."

⁸ "³Final Report on Borough Government, p. 17."

⁹ "⁴Minutes, p. 2625."

city-integration, without waiting for the slow, gradual, and perhaps painful absorption of city functions by boroughs.

Late in 1965, the mayor of the City of Anchorage, who felt that the existence of two units of local government was wasteful and productive of needless conflict, discussed with various local leaders, including the Anchorage borough chairman, the desirability of merging or consolidating the city and borough.^[10] The reception was favorable.

A prominent member of the House of Representatives, Ted Stevens of Anchorage, working closely with city and borough officials, provided a draft of a bill designed to permit unification of city and borough. Before formally introducing the bill, he brought it to the House Local Government Committee for review and suggested changes. After some discussion and study, the bill was redrafted and introduced as House Bill No. 409. Mr. Stevens introduced the bill, which was cosponsored by John L. Rader (the original sponsor of the Mandatory Borough Act), the chairman of the House Local Government Committee from Kodiak, and a Juneau area legislator. The sponsorship indicated support from several major areas of the State. The news media gave House Bill No. 409 wide coverage. Editorial comment was almost uniformly favorable:

We believe local officials have taken a bold step in advancing the idea of a new form of local government. It demonstrates awareness of a problem too often ignored – the problem of conflicting boundaries, overlapping services and expensive conflicts of jurisdiction. . . . The proposal as it has been sketched could represent a pioneering form of local government that avoids mistakes made elsewhere.¹¹

Jerome R. Saroff and Ronald C. Cease, "Toward One Unit of Local Government," in Ronald C. Cease and Jerome R. Saroff (eds.), *The Metropolitan Experiment in Alaska*, Frederick A. Praeger, Publishers, New York, 1968, pp. 357 – 359.

¹⁰ "In this chapter 'merger' and 'consolidation' are used as they are colloquially, i.e., simply as catch-alls for unification. Actually, the two terms are not the same. 'Merger' means dissolution of a municipality and its absorption by another municipality. 'Consolidation' means dissolution of two or more municipalities and their incorporation as a new municipality."

¹¹ "What About the Merger?" Anchorage Daily News, February 14, 1966."

In 1971, Thomas Morehouse and Victor Fischer¹² offered their insights concerning the views of the Committee on Local Government regarding the relationship between cities and boroughs.

Given the general direction and character of their thinking on boroughs, the Local Government Committee was faced with the question of what to do about existing and future cities. Consideration was given to the possibility of doing away with cities altogether, even though they were the only units of general local government then existing in Alaska.

Abolition of cities and their reconstitution as urban service areas under the borough was considered as one way of promoting joint use of facilities and services and avoiding duplication of taxing jurisdictions. But other ways of achieving these objectives were also considered: extension of city boundaries to cover entire urban areas, and eventual unification or consolidation of borough and city governments. It was also recognized that cities had over the years developed distinct corporate identities and a substantial array of facilities and services; any sudden change from municipal status to uncertainty under the borough was not likely to be acceptable to city residents.^[13]

It was decided that the status of cities should not be changed directly by the constitution; they would continue to exist. It was stipulated, however, that the city be a 'part' of the borough in which

¹² Mr. Fischer has been recognized by the Alaska Supreme Court as "an authority on Alaska government." *Keane v. Local Boundary Commission*, 893 P.2d 1239, 1244 (Alaska 1995). The Court relied on his work in the *Keane* case (at 1242, 1243) and in *Mobil Oil Corp. v. Local Boundary Commission*, 518 P.2d 92, 98 (Alaska 1974). Mr. Fischer is well known to most members of the Commission. Mr. Fischer has held several planning related positions in Alaska. He was a delegate to the Alaska Constitution Convention in 1955-1956. During the Convention he was a member of the Committee on Local Government and served as its Secretary. Mr. Fischer has written and co-authored a number of books and publications concerning state and local government in Alaska. These include *The State and Local Governmental System* (1970), *Borough Government in Alaska* (1971), and *Alaska's Constitutional Convention* (1975). Mr. Fischer served in Alaska's Territorial House of Representatives (1957-1959) and the Alaska State Senate (1981-1986). He was a member of the faculty of the University of Alaska Fairbanks and of the University of Alaska Anchorage. At the University, he was primarily associated with the Institute for Social and Economic Research, where he was director for ten years. His current work includes studying Alaska Native and regional governance issues.

Mr. Morehouse was a professor of political science at the University of Alaska for many years. He was a senior member of the University's Institute of Social and Economic Research. He has written or co-authored several books regarding local government in Alaska.

¹³ ⁿ²⁷ *Minutes*, 14th, 15th, and 19th Meetings."

it was located, and other provisions were made with the intent of encouraging cooperation between cities and boroughs. These included joint service of city councilmen on the legislative bodies of both the city and the borough,^[14] joint performance of functions, and voluntary transfer of functions from the city to the borough.

While designing an ideal model, delegates were not unaware of the potential for local government conflict. Indeed, the Alaska local political scene at the time was highlighted by disagreements between cities and school districts, battles over annexation, and troubles between cities and public utility districts.^[15] Delegates were also aware of interjurisdictional problems existing among cities, counties, and special districts in the larger urban areas of other states. They thus sought to create a system in which conflict would be minimized.

Thomas A. Morehouse and Victor Fischer, *Borough Government in Alaska*, 1971, pp. 43-44.

In 1971, the Alaska Supreme Court concluded that “Unification is consistent with the purpose expressed in article X, section 1 of minimizing the number of local government units.” The ruling stemmed from a challenge by the former City of Douglas regarding the unification of local governments in the Greater Juneau Borough. When the City of Juneau and the City of Douglas were abolished through unification in 1970, each was reconstituted as a separate urban service area with boundaries identical to the respective former cities.¹⁶ The Court held in that case:

¹⁴In 1972, Alaskans voted to amend Article X, § 4 to delete the requirement that “Each city of the first class, and each city of any other class designated by law, shall be represented on the assembly by one or more members of its council. The other members of the assembly shall be elected from and by the qualified voters resident outside such cities.” In a 1987 publication, Victor Fischer characterized the former constitutional provision as one that “caused constant friction between the two blocks representing city and non-city parts of most boroughs.” He noted further that the 1972 amendment “reduced dissension on borough assemblies and permitted them to deal more peacefully with areawide matters.” (Victor Fischer in Gerald A. McBeath and Thomas A. Morehouse (eds.), *Alaska State Government and Politics*, 1987, p. 49.) DCED adds to Mr. Fischer’s insights that the repealed requirement for equal representation under the State and Federal constitutions also rendered the provision in Article X, § 4 impractical. For example, if the constitutional provision were in place today, the City of Seldovia (population 284) would be guaranteed at least one representative on the Kenai Peninsula Borough Assembly. The equal representation clauses of the State and Federal constitutions would then entitle the City of Homer (population 4,154) to fifteen representatives on the Assembly; while the Assembly for the whole Kenai Peninsula Borough (population 48,952) would have to be comprised of 172 members.

¹⁵ ⁿ²⁸See *Minutes*, 12th, 35th, and 40th Meetings, *Proceedings*, pp. 2637-38.”

¹⁶Section 16.10 of the *Charter of the City and Borough of Juneau, Alaska*, provides,

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Appellants further contend that unification is barred by an implied constitutional requirement that cities not be dissolved in favor of boroughs.^[17] On this theory appellants challenge the constitutionality of AS 29.85.170, which provides that upon ratification of the unification charter, local government units within the unified area are dissolved. We think appellants’ challenge is for the most part disposed of by our discussion pertaining to the constitutionality of AS 29.85.160(c). Unification is consistent with the purpose expressed in article X, section 1 of minimizing the number of local government units. Article X, section 2 merely authorizes but does not require the coexistence of cities and boroughs. In view of the express constitutional policy of minimizing the number of local government units, the grant to the legislature of the power to decide on the manner of dissolution of cities, found in article X, section 7, and the absence of either an explicit ban against unification, or a persuasive basis for inferring such a prohibition, we hold AS 29.85.170 constitutional.

City of Douglas v. City and Borough of Juneau, 484 P.2d 1040, 1044 (Alaska 1971) (emphasis added).

In 1991, at the request of the Alaska Municipal League, the State legislature established the Task Force on Governmental Roles to define optimum Federal, State, and local responsibilities in providing public services in Alaska. The Task Force was charged with three principal tasks, one of which was to review “the most efficient means of funding public services.” (Governor’s Office of

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FUNCTIONS TO CONTINUE. Subject to Article XI of this Charter, service areas in existence on June 30, 1970, shall continue to exist. The area of the former cities of Douglas and Juneau shall each comprise a service area. The functions of local governments and service areas being exercised immediately prior to July 1, 1970, may continue insofar as consistent with this Charter, except that the assembly may alter, consolidate, or abolish service areas and may add or eliminate services as provided by this Charter.

¹⁷ “[22]—The Constitutional provisions from which appellants infer a bar against unification are art. X, §§ 1, 2, 4, 7, 9, and 13. These six sections provide, respectively, that (1) the purpose of the local government article is to ‘provide for maximum local self-government with a minimum of local government units’; (2) ‘[a]ll local government powers shall be vested in boroughs and cities’; (4) cities are to be represented on borough assemblies; (7) cities are to be incorporated, merged, consolidated, and dissolved as provided by law and shall be part of the boroughs in which they are located; (9) home-rule charters may be repealed by the voters of the city or borough having the charter; (13) cities may transfer powers or functions to boroughs unless prohibited by law or charter and may revoke the transfers. Appellants’ argument is that these sections show that their draftsmen contemplated the continuation of cities within boroughs rather than the swallowing up of the former by the latter.”

Management and Budget and the Alaska Municipal League, *Task Force of Governmental Roles – Final Report*, July 10, 1992, p. 5.)

The Task Force concluded with regard to local governmental efficiencies that:

Another main organizational thrust embodied in the state constitution is to develop a streamlined system of local government. There are four available means of unification. The first is conventional unification. Juneau, Sitka and Anchorage chose to unify and Fairbanks and Ketchikan have both considered and rejected this approach. The second is a merger in which one or more municipalities merge into an existing municipality with the latter becoming the surviving municipality. The third is consolidation, where one or more municipalities consolidate into a new unit of government with all of the former units disappearing. This is the method that was looked at by the City of Kodiak and Kodiak Island Borough and is currently being explored by the Ketchikan Gateway Borough and the City of Ketchikan. The fourth method involves cities within a borough dissolving under the procedures set out in Title 29 whereby the borough succeeds to the responsibilities of the dissolved cities. This is currently being examined by the Northwest Arctic Borough. The Task Force endorses all of these methods.

- Unification of borough and city administrations should be encouraged wherever possible for more efficient and cost-effective service delivery.

(*Ibid.*, p. 15.)

De-unification, by itself, would not create more local governments. It would, of course, open the door to the creation of more local (city) governments within an organized borough. However, as noted above, the framers of Alaska’s Constitution clearly rejected provisions that required unification of city and borough governments. Therefore, it seems that it would be difficult to argue persuasively that de-unification is prohibited by Alaska’s Constitution.

It is noteworthy that there are currently 48 city governments within organized boroughs in Alaska. Of those, 14 – nearly 30 percent of all city governments within organized boroughs – were incorporated after organized boroughs had been formed in the respective area. Among those 14 are some of Alaska’s most sophisticated city governments. They include the City of Homer, City of Soldotna, and City of Wasilla.

A complete list of the 48 city governments within organized boroughs is attached. In 2003, the territory within boundaries of those 48 city governments was

inhabited by more than 97,000 Alaskans. That represents more than one in every 7 Alaskans.¹⁸

It would seem that a reasonable argument could be made that Article X, Section 1 of Alaska’s Constitution represents no greater impediment to de-unification than it does to either incorporating a new city government within a non-unified borough government or annexing territory to a city government within an organized borough. LBC Staff is unaware of any instance in which the minimum number of local government units clause of Article X, Section 1 has ever been cited as the basis for the denial of a petition to incorporate a city government within an organized borough or to annex territory to a city government within an organized borough.

Lastly, it is noted that Article X, Section 1 also calls for “maximum local self-government.” In Alaska, “maximum local self-government” is a broad concept centered on the creation, in accordance with constitutional and other lawful principles, of local government with the legal capacity to provide needed services efficiently and effectively. In its 2002 decision leading to the consolidation of the City of Haines and the Haines Borough, the LBC concluded:

Generally, maximum local self-government in Alaska is achieved primarily through the extension of city or borough government to an unincorporated area. Doing so establishes a political and a legal system that, to the maximum extent possible, allows local residents the flexibility to choose an appropriate structure of local government so they can address local affairs in the manner that they deem appropriate. Local residents have a broad range of choices available to them. The principle of maximum local self-government is further supported by the broad powers given to city and borough governments under Alaska’s Constitution and in the Alaska Statutes. All of these factors provide flexibility and encourage creativity on the part of local residents as to the manner in which they fashion their local government.

Statement of Decision in the Matter of the December 20, 2000, Petition for Consolidation of the City of Haines and the Haines Borough, Local Boundary Commission, March 20, 2002, pp. 18-19.

Three months before the Commission addressed maximum local self-government in the course of the Haines consolidation proceedings, it addressed another aspect of that principle in the context of an annexation to the City of Homer. The Commission stated:

¹⁸In 2003, the estimated population of cities within boroughs was 97,044; the population of the entire state was estimated to be 648,818. That represents one of every 6.7 Alaskans.

. . . [M]aximum local self-government is fostered by the Alaska Constitution. Local self-government is often enhanced when it is most proximate to the constituents of the government. Decisions are now being made in Soldotna, the seat of the Kenai Peninsula Borough, that would be better made in Homer, particularly with respect to such fundamental local services such as land use planning, fire protection, emergency medical services and road maintenance.

Statement of Decision in the Matter of the March 20, 2000, Petition by the City of Homer for Annexation of Approximately 25.64 Square Miles, Local Boundary Commission, December 26, 2001, p. 37.

In the context of maximum local self-government, it is noted that there have been instances where voters in a service area of a unified municipality have been thwarted in their efforts to fund capital improvements through the issuance of bonds to be repaid by taxes levied exclusively within that service area. Although the service area voters authorized the bonds, approval from the areawide electorate was also necessary because the issuance of bonds involved the pledge of the full faith and credit of the unified municipality. It seems that a reasonable argument can be made that such circumstances do not represent the epitome of maximum local self-government for the thwarted residents of the service area.

Attachments:

- ✓ Alaska Statutes Regarding Dissolution of Municipal Governments
(AS 29.06.450 – 29.06.530)
- ✓ List of City Governments within Organized Boroughs

Alaska Statutes Regarding Dissolution of Municipal Governments
AS 29.06.450 – 29.06.530

Sec. 29.06.450. Methods of dissolution. (a) Two petition methods may be used to initiate dissolution of a municipality:

(1) petition to the Local Boundary Commission under regulations adopted by the commission; or

(2) the local option method specified in AS 29.06.460 - 29.06.510.

(b) The department shall investigate a municipality that it considers to be inactive and shall report to the Local Boundary Commission on the status of the municipality. The commission may submit its recommendation to the legislature that the municipality be dissolved in the manner provided for submission of boundary changes in art. X, Sec. 12 of the state constitution.

(c) A borough is dissolved when its entire territory is included in a home rule or first class city or cities. A city is dissolved when all its powers become areawide borough powers.

Sec. 29.06.460. Petition. (a) Voters of a municipality may file a dissolution petition with the department in the form prescribed by the department. The petition must be signed by a number of voters equal to at least 25 percent of the number of votes cast in the last regular election in that municipality.

(b) The petition must include

(1) the name of the municipality;

(2) maps, documents, and other information showing that the municipality meets the standards for dissolution.

Sec. 29.06.470. Standards. (a) Except as provided in (b) of this section, voters of a municipality may petition for dissolution when the municipality is free of debt, or, if in debt, each of its creditors is satisfied with a method of repayment and

(1) the municipality no longer meets the minimum standards prescribed for incorporation by AS 29.05, or former AS 29.18.030 if it is a third class borough;

(2) the municipality ceases to use each of its mandatory powers; or

(3) the dissolution petition filed under AS 29.06.460 is signed by a number of voters of the municipality proposed to be dissolved greater than 50 percent of the number of votes cast in the last regular election in that municipality.

(b) Voters of a city in a borough may petition for dissolution of the city if the borough consents to assume the city's rights, powers, duties, assets, and liabilities. The consent must be ratified by a majority of borough voters voting on the question.

Sec. 29.06.480. Review. (a) The department shall review a dissolution petition for content and signatures, and shall return a deficient petition for correction or completion.

(b) If the petition contains the required information and signatures, the department shall investigate the proposal.

Alaska Statutes Regarding Dissolution of Municipal Governments
AS 29.06.450 – 29.06.530

Sec. 29.06.490. Report and hearing. (a) The department shall report its findings to the Local Boundary Commission with its recommendation regarding the dissolution of a municipality.

(b) The Local Boundary Commission shall hold at least one public hearing in the municipality proposed to be dissolved.

Sec. 29.06.500. Decision. (a) The Local Boundary Commission may amend the petition and may impose conditions for the dissolution. If the commission determines that the dissolution, as amended or conditioned if appropriate, meets applicable standards under the state constitution and commission regulations, meets the standards for dissolution under AS 29.06.470, and is in the best interest of the state, it may accept the petition. Otherwise it shall reject the petition.

(b) A Local Boundary Commission decision under this section may be appealed under AS 44.62 (Administrative Procedure Act).

Sec. 29.06.510. Election. (a) The Local Boundary Commission shall immediately notify the director of elections of its acceptance of a dissolution petition. Within 30 days after notification, the director of elections shall order an election in the municipality to determine whether the voters desire dissolution. The election must be held at least 30 and not more than 90 days after the election order unless such timing would cause the election to be held between May 1 and November 1. If the director of elections receives notification after April 1, but before October 1, the election shall be held within 60 days after November 1. A person who is a voter of the municipality may vote in the dissolution election.

(b) The director of elections shall supervise the election in the general manner prescribed by AS 15 (Election Code). The state shall pay all election costs.

(c) The director of elections shall certify the election results. If dissolution is approved by a number of voters greater than 50 percent of the number of people registered to vote in the municipality, the director of elections shall declare that the municipality is dissolved effective on the date of certification.

Sec. 29.06.520. Succession. A municipality succeeding to a dissolved municipality succeeds to all rights, powers, duties, assets, and liabilities of the dissolved municipality. Otherwise, the state succeeds to those rights, powers, duties, assets, and liabilities. If the state succeeds to a dissolved municipality, the state may enter into a contract for the performance of duties or powers in the area of the dissolved municipality. However, a contract with an organization for the performance of duties or powers entered into under this section does not constitute recognition by the state of governmental powers of that organization.

Sec. 29.06.530. Application. AS 29.06.450 - 29.06.530 apply to home rule and general law municipalities.

City Governments within Organized Boroughs
Cities listed in bold type incorporated after
the borough in which it is located was organized

City of False Pass, in the Aleutians East Borough, incorporated in 1990.

City of Cold Bay, in the Aleutians East Borough, incorporated in 1981.

City of Akutan, in the Aleutians East Borough, incorporated in 1979.

City of Sand Point, in the Aleutians East Borough, incorporated in 1966.

City of King Cove, in the Aleutians East Borough, incorporated in 1947.

City of Anderson, in the Denali Borough, incorporated in 1962.

City of North Pole, in the Fairbanks North Star Borough, incorporated in 1953.

City of Fairbanks, in the Fairbanks North Star Borough, incorporated in 1903.

City of Soldotna, in the Kenai Peninsula Borough, incorporated in 1967.

City of Homer, in the Kenai Peninsula Borough, incorporated in 1964.

City of Kachemak, in the Kenai Peninsula Borough, incorporated in 1961.

City of Kenai, in the Kenai Peninsula Borough, incorporated in 1960.

City of Seldovia, in the Kenai Peninsula Borough, incorporated in 1945.

City of Seward, in the Kenai Peninsula Borough, incorporated in 1912.

City of Saxman, in the Ketchikan Gateway Borough, incorporated in 1929.

City of Ketchikan, in the Ketchikan Gateway Borough, incorporated in 1900.

City of Akhiok, in the Kodiak Island Borough, incorporated in 1974.

City of Larsen Bay, in the Kodiak Island Borough, incorporated in 1974.

City of Ouzinkie, in the Kodiak Island Borough, incorporated in 1967.

City of Old Harbor, in the Kodiak Island Borough, incorporated in 1966.

City of Port Lions, in the Kodiak Island Borough, incorporated in 1966.

City of Kodiak, in the Kodiak Island Borough, incorporated in 1940.

City of Egegik, in the Lake & Peninsula Borough, incorporated in 1995.

City of Pilot Point, in the Lake & Peninsula Borough, incorporated in 1992.

City of Chignik, in the Lake & Peninsula Borough, incorporated in 1983.

City of Port Heiden, in the Lake & Peninsula Borough, incorporated in 1972.

City of Newhalen, in the Lake & Peninsula Borough, incorporated in 1971.

City of Nondalton, in the Lake & Peninsula Borough, incorporated in 1971.

City of Wasilla, in the Matanuska - Susitna Borough, incorporated in 1974.

City of Houston, in the Matanuska - Susitna Borough, incorporated in 1966.

City of Palmer, in the Matanuska - Susitna Borough, incorporated in 1951.

City of Atkasuk, in the North Slope Borough, incorporated in 1982.

City of Nuiqsut, in the North Slope Borough, incorporated in 1975.

City of Kaktovik, in the North Slope Borough, incorporated in 1971.

City of Point Hope, in the North Slope Borough, incorporated in 1966.

City of Wainwright, in the North Slope Borough, incorporated in 1962.

City of Anaktuvuk Pass, in the North Slope Borough, incorporated in 1959.

City of Barrow, in the North Slope Borough, incorporated in 1958.

City of Selawik, in the Northwest Arctic Borough, incorporated in 1977.

City of Kobuk, in the Northwest Arctic Borough, incorporated in 1973.

City of Ambler, in the Northwest Arctic Borough, incorporated in 1971.

City of Deering, in the Northwest Arctic Borough, incorporated in 1970.

City of Kivalina, in the Northwest Arctic Borough, incorporated in 1969.

City of Shungnak, in the Northwest Arctic Borough, incorporated in 1967.

City of Buckland, in the Northwest Arctic Borough, incorporated in 1966.

City of Kiana, in the Northwest Arctic Borough, incorporated in 1964.

City of Noorvik, in the Northwest Arctic Borough, incorporated in 1964.

City of Kotzebue, in the Northwest Arctic Borough, incorporated in 1958.